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October 28, 2019

Federal Election Commission  
Attn: Esther Gyory  
Acting Assistant General Counsel  
1050 First Street, NE  
Washington, D.C. 20463  
*Submitted electronically*

## **Disclosure of National Party “Cromnibus” Accounts: Comments on REG 2019-04**

Dear Counsel Esther Gyory:

Public Citizen is writing in support of the petition for rulemaking (REG 2019-04) requesting that the Federal Election Commission (FEC) promulgate disclosure rules that require the national party committees to delineate their contributions and expenditures for each segregated party account created by the “Cromnibus” Appropriations Act of 2015.

In a hastily approved and largely unread \$1.1 trillion funding bill for the 2015 fiscal year, known as the Consolidated and Further Continuing Appropriations Act of 2015 (“Cromnibus”), a provision was quietly inserted by appropriators to create seven new accounts for the national political parties, each of which could receive contributions three-times the limit set for the party committees. These seven accounts – two for the congressional and senatorial committees of the parties (“building” account and “legal” account), and three for the presidential party committees (“building,” “legal,” and “convention” accounts) – now means that a single donor may contribute an additional \$745,500 per year above and beyond the \$35,500 that donor may give to each of the three national party committees.

The 702-page Cromnibus package was unveiled days before it had to be passed by Congress to avoid a government shutdown. The rider to vastly expand how much wealthy donors could contribute to the national parties was quietly tucked away as “Other Matters” near the end of the massive spending bill and was widely misunderstood, if even noticed at all, by most members of Congress, the press and the public. As a must-pass continuing funding bill, it was passed by Congress and signed into law by the president on Dec.16, 2014.

**While Public Citizen remains steadfastly opposed to these Cromnibus accounts, and continues to call for their repeal, it is at the very least incumbent upon the Commission to ensure that the public can easily track (i) who is contributing to these accounts and how**

**much; (ii) how the money is being spent from these accounts; and (iii) how much these accounts carry over from reporting period to reporting period. The same clear reporting and disclosure requirements that exist for each party committee should be applied to each Cromnibus account.**

Currently, the FEC only provides advisory guidelines to the party committees on how to report Cromnibus contributions and expenditures. These guidelines are being followed inconsistently and haphazardly by the parties, often labeling the accounts with different terminologies that make it difficult to identify the separate accounts. Furthermore, and just as confusing, all the donations and expenditures to these separate accounts are disclosed as part and parcel of the committee's overall disclosure report, making it extraordinarily difficult to distinguish committee financial activity from the financial activity of the separate accounts. And by aggregating the financial activity of all the Cromnibus accounts with the financial activity of the party committee, the party disclosure reports provide no summation of total funds received and expended from each Cromnibus account nor summation of surplus funds carried over within each account.

It is noteworthy that the party disclosure reports have now become so convoluted and ambiguous with the creation of the Cromnibus accounts that even the Center for Responsive Politics, an organization that specializes in tracking campaign money, is finding the task of understanding the flow of today's party money extremely problematic and has petitioned the FEC for better rules on tracking these funds.

Public Citizen has also been beseeched by reporters' frustrated queries as they struggle to understand how the Cromnibus accounts are being used or abused, and how to read the party disclosure reports to make sense of it all.

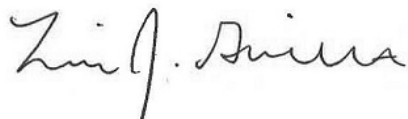
Not only are the Cromnibus funds difficult to track under the current reporting requirements, but the comingling of the funds in the disclosure reports provides a ripe opportunity for abuse of these funds. Each separate account is supposed to use their extraordinarily large contributions for specific purposes, such as building construction or legal expenses associated with a recount, not for the party committee's general electioneering purposes. But by comingling the funds in the disclosure reports, it becomes nearly impossible for the public to monitor the flow of the money and to discern how these Cromnibus funds are being spent.

It is imperative that the FEC proceed with rulemaking to require that the party committees disclose a full picture of the financial activity of each Cromnibus account as well as the party account so that the public can discern who is giving how much to which committee and which account and for what purpose, so that the Commission and the public can determine if the parties are indeed using these funds as intended. Perhaps the single most important core function of the Federal Election Commission is to develop a comprehensive and readable disclosure system of money in politics so that the public can monitor who in political circles is spending how much and for what purpose.

Respectfully Submitted,

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Craig Holman, Ph.D.  
Government affairs lobbyist  
Public Citizen  
215 Pennsylvania Avenue SE  
Washington, D.C. 20003

A handwritten signature in black ink, appearing to read "Lisa J. Gilbert". The signature is cursive and somewhat stylized, with the first name "Lisa" and last name "Gilbert" clearly distinguishable.

Lisa Gilbert  
Vice president of legislative affairs  
Public Citizen  
215 Pennsylvania Avenue SE  
Washington, D.C. 20003